SENATE BILL REPORT SB 5235

As Reported By Senate Committee On: Labor, Commerce, Research & Development, February 7, 2005 Ways & Means, March 7, 2005

Title: An act relating to establishing fees to administer child labor laws.

Brief Description: Requiring the department of labor and industries to set child labor law administration fees.

Sponsors: Senators Kohl-Welles, Keiser, Fraser, Prentice and Kline; by request of Department of Labor & Industries.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 2/3/05, 2/7/05 [DPS, DNP].

Ways & Means: 3/4/05, 3/7/05 [DP2S, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5235 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Brown, Keiser and Prentice.

Minority Report: Do not pass.

Signed by Senators Parlette, Ranking Minority Member; and Honeyford.

Staff: Jennifer Strus (786-7316)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5235 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Fairley, Kohl-Welles, Pridemore, Rasmussen, Regala, Rockefeller and Thibaudeau.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Brandland, Hewitt, Parlette, Pflug, Roach and Schoesler.

Staff: Paula Faas (786-7449)

Background: The Department of Labor and Industries (L&I) issues work permits to employers who want to employ minors, after being assured that the employment meets health, safety, and welfare standards. In addition, L&I will not issue a permit unless the minor's

Senate Bill Report - 1 - SB 5235

parent, guardian, or custodian has consented to and the minor's school has approved the issuance of the permit. Any person or entity employing a minor must obtain a work permit and keep it on file during the minor's employment. L&I does not charge a fee to issue a minor work permit.

Summary of Second Substitute Bill: L&I must set a fee of \$10 per business location for the administration and enforcement of minor work permits.

Second Substitute Bill Compared to Substitute Bill: Specifies that the revenue collected from the ten dollars charged per permit will be used for enforcement of the minor work permit laws, limited to reviewing minor work permit applications to ensure the minors are only performing duties allowed under the permit and determining that businesses that have not renewed the minor work permit are no longer hiring minors. Specifies that fees collected are to be deposited in the general fund and are subject to appropriation by the legislature.

Substitute Bill Compared to Original Bill: The \$10 fee amount per business location was added.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Effective enforcement of child labor laws is not occurring because there are only 20 enforcement officers to enforce all wage related laws. This bill would impose a \$10 fee per business to issue a work permit. The revenue from this fee will allow L&I to take a more active role in ensuring minor work permit compliance for the approximately 150,000 teen workers at nearly 30,000 businesses statewide.

Testimony Against: L&I should have planned to pay for the enforcement portion of the minor work permit when it was originally instituted. After more than 10 years of its existence, L&I wants to charge a fee to issue the permit. The cost of the enforcement should be funded out of its current budget. If this bill passes, fewer businesses will hire teens.

Who Testified: PRO: Patrick Woods, Department of Labor & Industries; Rich Irvin, L&I; Jeff Johnson, Washington State Labor Council.

CON: Carolyn Logue, National Federation of Independent Business; Gary Smith, Independent Business Association; Dan Fazio, Washington State Farm Bureau; Lesa Boxx, Boxx Berry Farms; Abe Boling, Washington State Farm Bureau.